IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

IN RE PARACELSUS CORP.

SECURITIES LITIGATION § CIVIL ACTION NO. H-96-3464

ORDER APPROVING FINAL DISBURSEMENT AND DISTRIBUTION OF REMAINING SETTLEMENT FUNDS TO CHARITY

On July 22, 1999, United States District Court Judge Ewing Werlein, Jr. entered an Order and Final Judgment approving the settlement of the above action as fair and reasonable and directing the parties to proceed with the administration of the settlement under the terms of the Stipulation of Settlement. On December 22, 1999, Judge Werlein entered an Administrative Order authorizing the distribution of the net settlement fund to authorized claimants. When the distribution process ended, there remained a total of \$46,463.88, consisting of \$30,994.89 in uncashed and undeliverable funds from the settlement fund and an additional \$15,468.99 set aside for payment of taxes interest earned and a tax refund.

Plaintiffs' lead counsel moved for an order paying the Garden City Group from the settlement fund and distributing the remaining settlement funds to the Institute for Law and Economic Policy. This court has reviewed plaintiffs' lead counsel's Amended Motion for Approval of Final Disbursement and Distribution of Remaining Settlement Funds to Charity, and the affidavit of Edward A. Grossmann, Esquire. As explained in the Memorandum and Opinion issued on even date, the record shows that the Garden City Group, Inc., the courtapproved claims administrator, has incurred \$15,916.82 in unbilled fees and expenses in

connection with the claims administration of the action. The record also shows that it would

be economically and practically unfeasible to distribute the \$30,994.89 remaining to the

class, because it would be unfeasible to find the eligible class members who did not receive

and cash their settlement checks or to allocate on a pro rata basis the undistributed funds to

send to the class members who did receive and cash their checks.

Plaintiffs' lead counsel's amended request for approval of payment of incurred

administrative fees and expenses of the Garden City Group from the settlement fund is

granted. The balance of the remaining funds, \$30,546.06, will be distributed to the Institute

for Law and Economic Policy, 1845 Walnut Street, Suite 2300, Philadelphia, Pennsylvania

19103.

SIGNED on February 6, 2007, at Houston, Texas.

Lee H. Rosenthal

United States District Judge